

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 317 (2nd Edition)

SHORT TITLE: State Assistance to Low-Performing LEAs-AB

SPONSOR(S): Representatives Bell, Preston, and Warren

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
REVENUES					
EXPENDITURES	\$500,000	\$517,500	\$1,178,000	\$1,220,000	\$1,836,000
POSITIONS: (cumulative)	3.5 FTE	3.5 FTE	8.0 FTE	8.0 FTE	11.5 FTE
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Public Instruction, State Board of Education					
EFFECTIVE DATE: When it becomes law.					

BILL SUMMARY: Bill would create a new procedure through which the State Board of Education would identify low-performing school systems, to provide assistance teams to those units, and take further action if student performance fails to improve after assistance is provided. A low-performing school system is one in which there is a failure to meet the minimum performance composite score, as determined by the Board, and more than half the students are performing below grade level. A continually low-performing system has been identified as low-performing for two consecutive years. (Source: Research Division Summary of House Bill 317-Second Edition)

ASSUMPTIONS AND METHODOLOGY:

1. All low-performing local school administrative units (LEAs) which meet the criteria as low-performing will ask for an assistance team. Currently, if the State Board were to set the minimum performance composite score at 60%, two LEAs would meet the criteria, based on 2001-02 test scores. If the minimum score were set higher, more LEAs would be eligible. The requirement that a majority of students are performing below grade level further limits the LEAs meeting the criteria.

2. Estimated cost of an assistance team ranges from \$479,600 to \$509,600. For purposes of this analysis, \$500,000 is used in 2003-04. Teams would contain two full-time employees and three part-time contractual employees. This would provide the equivalent of 3.5 full-time employees per assistance team.
3. The Department of Public Instruction estimates that one assistance team can serve three or four LEAs per year. Fiscal Research assumes that two LEAs will be served in 2003-04, three in 2004-05, five in 2005-06, six in 2006-07, and seven in 2007-08. Fiscal Research assumes that more LEAs will request assistance as deadlines near for meeting federal No Child Left Behind standards, and sanctions are imposed.
4. There could be additional costs if an interim superintendent is appointed temporarily and the existing superintendent is not dismissed. The cost estimates assume one interim superintendent in the last three years of this analysis.

SOURCES OF DATA: Department of Public Instruction, General Assembly Research Division

TECHNICAL CONSIDERATIONS:

The criterion that a majority of students are performing below grade level in proposed GS 115C-105.42(a) is subject to and would need to be interpreted by the State Board of Education. It is more difficult to determine which high school students are performing below grade level since there is a limited number of State standardized end-of-course tests. One could assume that “a majority” means of those taking end-of-grade tests in grades 3-8 and those taking end-of-course tests in middle school and high school.

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DATE: May 29, 2003



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